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SUBJECT: DIVISIONS AND DISSENT IN CHAVISMO

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Classified By: ACTING POLITICAL COUNSELOR MARK A. WELLS FOR 1.4 (D)

Summary

- 11. (C) The diversity of Venezuelan President Hugo Chavez' "Bolivarian Revolution" often makes it appear divided. For example, differences have emerged between the movement's civilians and soldiers, its democrats and dictators, and its ideologues and crooks. Nonetheless, these disputes have been isolated; they have not divided Chavez' movement. Because all Chavista officials ultimately depend on Chavez for influence, machinations among pro-BRV groups have had little impact on the stability of the administration. Government officials even have an interest in "staging" differences within the ruling party to try to establish that the branches of government are independent.
- 12. (C) Pro-Chavez Venezuelans protest regularly throughout the country over government failures to provide services, pay public employees, and carry out entitlement programs. Demonstrations have been especially common in Chavez' home state of Barinas, where two pro-BRV state government factions came to blows. Chavez has adeptly silenced internal wrangling in his government for the time being. In the long run, divisions within Chavismo will become more apparent in the absence of a unifying opposition threat. We can not rule out the possibility that the aforementioned fault lines in the party could become more serious; indeed, given the incapacity of the current opposition, the most likely source for a viable political counterpart to Hugo Chavez is a

breakaway faction within Chavismo. SEPTEL examines Chavez' strategy for handling the divisions and dissent. End summary.

Fault Lines: Extant or Exaggerated?

- ¶3. (C) The "Bolivarian Revolution" of Venezuelan President Hugo Chavez suffers from divisions and dissent, yet Chavez has thus far remained firmly in control. In addition to the festering morale issues in the Venezuelan Armed Forces and the Foreign Ministry reported in REFS A and B, splinters within the BRV have appeared throughout the country. Public disputes among pro-Chavez leaders and frequent Chavista-led protests against the government have led to speculation among Embassy contacts and the media about the causes and extent of the divisions, in particular those between civilian and military officials. We do not want to overplay these fissures; Chavismo as a whole does appear solid. That said, there is something here. This cable attempts to distinguish between the wishful thinking by Chavez opponents and the true weaknesses of the revolution.
- 14. (C) The ruling Movimiento Quinta Republica (MVR) party is not the source of Chavez' power. Rather, the party depends on the President for influence and resources. MVR National Assembly deputy Luis Tascon told us last year that the MVR had no weight other than what Chavez lent it, and its leaders had no independent support. MVR deputy Roberto Quintero told poloff in August 2005 that without Chavez, the MVR would disintegrate. Because party members lack their own power bases, the importance of intra-MVR disputes can be overplayed. MVR differences are settled when Chavez intervenes. Chavez wields almost unquestioned authority over

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other pro-Chavez political parties, as well, despite their trying to maintain a separate identity from the MVR.

Finding the Fault Lines Complicated

- (C) Battle lines do not extend across Chavismo on any particular issue. As such, issue-specific interpretations of disputes within the government tend to be oversimplifications. The MVR is a chaotic party organized around personalities, business deals, institutions, and old alliances, MVR deputy Quintero asserted. Presidential "pre-candidate" Teodoro Petkoff added during an August 2005 meeting that the MVR lacked solid organizational structures and was racked with personal divisions. Although these competing sources of authority and personality conflicts rarely come to light, they all contribute to intra-party friction. Tascon, whom the MVR's National Tactical Command temporarily suspended last year for commenting publicly about internal party machinations, told us that internal clashes were naked disputes over power. Given the separate and diffuse power centers, individual disputes are not necessarily representative of broad trends. None of the differences examined below permeate the movement.
- 16. (C) CIVILIAN vs. MILITARY. Former opposition legislator Pedro Diaz Blum, now an alternate member of the National Electoral Council who remains plugged in with Chavistas, makes much of civilian-military tensions. According to Diaz Blum, one example is Carabobo Governor Luis Felipe Acosta Carles, who has irritated the local MVR by packing his staff with soldiers and bringing in some competent opposition party officials to keep the state running. There is much speculation as well over the civil and military factions in the National Assembly, led by National Assembly president Nicolas Maduro and former president Francisco Ameliach, respectively. Such strains exist; the pet holdovers and fellow coup-plotters from Chavez' military days probably do

arouse some resentment. Nevertheless, Chavez opponents exaggerate the splits to try to condemn Chavez for the "militarization" of Venezuelan society and to assure U.S. interlocutors that their cause is not lost. According to MVR deputy Quintero, the civilian-military divide is not the defining axis of division.

- 17. (C) IDEOLOGY vs. VENALITY. Reporters attempt to discern divisions by hyping differences in Chavista officials' character traits. Chavismo contains, for example, officials who appear extremely ideological, such as firebrand deputy Iris Varela, former human rights lawyer Governor Tarek William Saab, and mob leader "comandante" Lina Ron. It also includes less reactionary officials who appear to be devoting considerable energies into getting rich, such as Miranda Governor Diosdado Cabello and Interior Minister Jesse Chacon. All of these politicians have had public disputes with other pro-Chavez officials, but no evidence exists that corrupt officials are aligning against the "true believers" or vice versa. On the other hand, it appears that as Chavez prioritizes the fight against corruption, Chavistas are attempting to undermine their personal enemies in the revolution by accusing them of graft (REF C).
- 18. (U) DEMOCRATS vs. "TALIBANES." Experiments with internal democracy have caused some disenchantment in the party. Media headlines have suggested a war between "democratic" Chavistas and hard-line "Talibanes" who impose electoral candidates from above. Yet, none of the splits exposed by elections have cut across the entire movement, either. For instance, MVR primaries held in April 2005 to determine candidates for the August parochial elections

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touched off disputes over candidacies, but all appeared to be isolated instances. In perhaps the most notorious example, Chavez silenced a public row between Caracas metropolitan mayor Juan Barreto and the city's Libertador municipality mayor Freddy Bernal over candidacies. The nature of the insults swapped suggested the two may have harbored personal grudges before the elections. In other isolated examples, the MVR expelled Trujillo State Governor Gilmer Viloria and two Portuguesa State mayors from the party for promoting unsanctioned candidates for the December 2005 National Assembly elections.

19. (C) DIVISIONS AMONG CHAVISTA PARTIES. Divisions between the MVR and other pro-Chavez political parties are perhaps the only ones that Chavistas themselves have an interest in hyping. Following Chavez' sweep of the National Assembly elections in December 2005, BRV representatives publicly rattled off a laundry list of pro-Chavez parties with seats to try to show that the legislature remained an independent branch of government. These parties' public and private statements, however, indicate their firm loyalty to Chavez. Pro-Chavez parties Podemos and Patria Para Todos (PPT) announced in early May 2006 that they backed Chavez' threat to hold a referendum asking voters to allow him to remain in office until 2031. Although Podemos and PPT announced they would form a legislative "opinion bloc," they assured reporters they did not seek to compete with the MVR. PPT secretary general Jose Albornoz told poloff in March that the

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PPT would criticize inefficiencies in the revolution but would always remain a part of it.

110. (U) The resolution of a few highly public rifts between Chavista parties have displayed the cohesion of the Chavez movement. The PPT and Podemos parties' annoyance over the MVR's failure to consult with them over National Assembly leadership positions appeared to end quickly. A dispute between the PPT and the MVR over candidates for the Amazonas State gubernatorial elections in August 2005 appeared to fizzle once the parties conducted a poll and settled on the incumbent PPT candidate. Implicated in human rights abuses

in his states, PPT Governor of Guarico State Eduardo Manuitt emerged from a National Assembly interior politics committee inquiry with no more punishment than a declaration of "political responsibility." National Assembly president Nicolas Maduro effectively silenced MVR critics of Manuitt when he demanded an inquiry into whether their "political enmity" motivated the committee's report.

Discontent Among Chavista Voters

- 111. (C) Elements of Chavez' support base--Venezuelans reliant on government services--protest regularly throughout the country. During the first week of May, the press recorded 11 demonstrations in several states over poor government service provision and various labor disputes, nine of which blocked traffic. Anti-Chavez peasant association leader Manuel Gomez told us in mid-2005 that the dismal state of health care and government services in the Caracas suburbs where he lived was approaching a boiling point. He noted that government development bank BANDES was having difficulty handling all of the people requesting grants. Indeed, delayed government disbursements have been the source of many Chavista protests. In particular, radical pro-government website articles and our opposition and Chavista contacts have begun to report breakdowns in the BRV social missions' ability to reach the people.
- $\underline{\ }$ 12. (C) BARINAS DIVISIONS AND DEMONSTRATIONS. Both divisions among pro-BRV politicians and local Chavista

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protests have plagued Chavez' rural home state of Barinas. Rafael Simon Jimenez, a former National Assembly deputy from Barinas who attempted to remain a member of both the opposition party MAS and its pro-Chavez offshoot Podemos, identified for poloff rival political factions that came to physical blows during Barinas marches on May 1, 2006. Jimenez said that one faction backed the President's family: Governor Hugo de los Reyes Chavez (the President's father) and secretary of state Argenis Chavez (the President's brother), whom Jimenez called the power behind the throne. National Assembly deputy Pedro Carreno, who leads the legislature's investigation of the USD millions stolen from Barinas's BRV sugar mill construction project, headed the other camp, supported by Barinas city mayor Julio Cesar Reyes.

- 13. (C) Discontent among Barinas residents erupted into regular demonstrations in March 2006. According to press reports, Governor de los Reyes Chavez reacted by issuing a decree prohibiting protests on public roads after 15 marches took place in less than a month. In another example of Chavista political divisions, several pro-BRV state legislators claimed the decree was illegal. Two of these marches trapped the Governor in his residence. Protests arose over issues such as road conditions, public housing construction, and problems with BRV social missions. Government workers' demands for back payments have also been a theme of Barinas demonstrations. In mid-March, a pro-Chavez oil workers' union took over a Barinas rig to demand raises promised them in 2005. Two weeks later, $\,$ education workers picketing the offices of the Governor--himself a former teacher--demanded nearly USD 50 million in delayed payments of bank-held trust funds, which the government has commonly used to hold employees' wages and retirement plans.
- 114. (C) Protests have also been common in other MVR-governed states throughout the country. Some of the most notable have occurred in:
- --ANZOATEGUI. Marches over water supply, education, trash, and political differences among Chavistas with Governor Saab.

- --BOLIVAR. Protests over housing, health care, security, employment, mining rights, and back payment demands for public workers. Demonstrations blocked so many local traffic arteries in September 2005 that they disrupted Chavez' trip to the state.
- --CARABOBO. Roads blocked to demand the construction of low-income housing. (Note: Governor Acosta Carles faces dissent for action as well as inaction, according to former deputy Diaz Blum. Powerful pro-Chavez interests have opposed his expropriations of land for public works projects, Diaz Blum says.) People also take to the streets regularly in Carabobo over delays in government compensation for damages caused by the flooding of Lake Valencia.
- --MIRANDA and the FEDERAL DISTRICT. Most of the problems mentioned above have triggered demonstrations in greater Caracas. In addition, insecurity drives both Chavez opponents and poor Chavistas--who suffer most from crime--to the streets. Popular leftist tabloid Ultimas Noticias, which is sympathetic to President Chavez, reports daily on discontent with the lack of security and government services in metro Caracas.

Comment

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- 115. (C) Without question, Hugo Chavez is in control of his movement. Disciplinary actions enacted by Chavez through the MVR last year appear to have silenced those officials challenging authority for the time being (SEPTEL). Because Chavez is his movement's only electoral candidate this year, wrangling over political positions is less likely to surface in the near term. On the contrary, Chavez appears to have channeled his followers toward the singular goal of getting him 10 million votes.
- 116. (C) Despite Chavez' current firm hold, in the long run, internal divisions and dissent are likely to become more apparent. Failure to meet popular expectations, particularly breakdowns in government service provision, consititute Chavez' biggest political vulnerability. We cannot discard the possibility that the fault lines mentioned above could eventually span the entire Chavez movement. Now that Chavez lacks an opposition to blame, he is probably relying too much on the favored tactic of blaming the United States. Eventually, he may be driven to find more scapegoats in his own government. Moreover, Chavez' subordinates may be more likely to turn on each other in the absence of a common opposition threat. Because of the incompetence of the current opposition, the most likely source for a viable political counterpart to Chavez is a breakaway faction within Chavismo.

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